

Issue 114: INSIDER'S EDGE: Part 2—Paying for Outstanding Medical Bills and Old Pharmacy Claims

Welcome back, Insiders. Following last week's edition, [Issue 113: INSIDER'S EDGE: Paying for Outstanding Medical Bills and Old Pharmacy Claims](#), readers had questions about the fine print when it comes to obtaining reimbursement for health services paid for out-of-pocket during a lapse in coverage. To help clear up the confusion, I've addressed some common questions below.

If a consumer enrolled in a Managed Care Organization (MCO) loses coverage, is the MCO at fault?

No. Individuals must have their eligibility for Medicaid redetermined annually. Consumers who fail to reapply for benefits in a timely fashion will be disenrolled from the Medicaid program and lose coverage through their MCO.



Don't blame the MCO!

Many individuals wrongly assume that their MCO has disenrolled them. This is not the case. If an individual loses their MCO coverage, it is because their eligibility for Medicaid has ended. The person should reapply for benefits using [Maryland Health Connection](#).

Are retroactive benefits paid for by the MCO?

No. Retroactive coverage is paid for on a fee-for-service (FFS) basis. When coverage is provided FFS, this means that the Department of Health and Mental Hygiene (DHMH) pays the provider a fee for each service provided. The provider is *not* paid by the MCO. Consumers with questions about health care costs that may be covered retroactively should be directed to the Medical Assistance Hotline, 1-800-492-5231. The consumer should not contact their MCO.

If a consumer qualifies for retroactive coverage, is the medical health provider obligated to reimburse them?

No. In order for DHMH to pay a provider for past services rendered to an individual with retroactive coverage, the provider must participate with the Medicaid program and agree to accept the FFS rate paid by the State. Not all providers are willing to accept this payment arrangement. As a result, the consumer may not be able to be reimbursed by the provider in all cases.



Fortunately, with a little planning, consumers don't have to find themselves in a bind.

When possible, a consumer whose Medicaid coverage has lapsed should seek care from a provider who participates with the Medicaid program. Doing so may make it easier to have their out-of-pocket costs reimbursed if their retroactive coverage is approved.

When a consumer whose Medicaid coverage has lapsed reapplies for benefits, can they select a new MCO?

Recipients can change MCOs after they have been enrolled in the same MCO for twelve or more months, including breaks in eligibility.

However, when a former HealthChoice recipient who was enrolled in an MCO within the last 120 days has been determined eligible for Medicaid again, they will be automatically re-enrolled in the MCO that they received coverage through previously within 10 days. Services are covered on a FFS basis until the automatic re-enrollment process is complete.

Are the benefits available during a FFS period the same as those offered by an MCO?

The core medical services covered on a FFS basis are the same as those offered by the MCOs. However, most MCOs offer some optional benefits for recipients, such as limited adult dental services. Since these services are not required, they are not covered for individuals who receive benefits on a FFS basis—this includes individuals who have not yet been automatically re-enrolled in their MCO and those seeking reimbursement for services obtained during a retroactive coverage period.

For more information on the additional benefits offered by MCOs that are not covered on a FFS basis, read the section of the MCO Comparison Chart addressing “Additional Services” found [here](#).

Thanks for reading! Send your questions to dhmh.medicaidmarge@maryland.gov. Check out back issues here, <https://mmcp.dhmh.maryland.gov/medicaidmarge/SitePages/Home.aspx>.